

1 SENATE JOINT MEMORIAL 5

2 48TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2008

3 INTRODUCED BY

4 Dede Feldman

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8 FOR THE LEGISLATIVE HEALTH AND HUMAN SERVICES COMMITTEE

9
10 A JOINT MEMORIAL

11 REQUESTING THE NEW MEXICO HEALTH POLICY COMMISSION TO CONVENE A
12 TASK FORCE TO IDENTIFY STATE DEPARTMENTS AND PUBLICLY FUNDED
13 HEALTH CARE AGENCIES TO PARTICIPATE IN BULK PURCHASING OF
14 DURABLE MEDICAL EQUIPMENT, HEALTH CARE SUPPLIES AND
15 PHARMACEUTICALS.

16
17 WHEREAS, state departments and publicly funded health care
18 agencies can increase their market clout when purchasing
19 durable medical equipment, health care supplies and
20 pharmaceuticals by acting as a single bulk-purchasing unit
21 because manufacturers and distributors are more likely to
22 negotiate favorable pricing with larger-volume purchasing
23 units; and

24 WHEREAS, administrative costs, and thus administrative
25 fees, will decrease as economies of scale favor the bulk

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1 purchase of durable medical equipment, health care supplies and
2 pharmaceuticals by state departments and publicly funded health
3 care agencies acting as a single bulk-purchasing unit; and

4 WHEREAS, when purchasing durable medical equipment, health
5 care supplies and pharmaceuticals in bulk, state departments
6 and publicly funded health care agencies could utilize a single
7 purchasing-management system that uses the industry's best
8 practices, such as using preferred equipment, supply and
9 pharmaceutical lists and formularies for reference and review,
10 and thus could realize savings while protecting patient
11 choices; and

12 WHEREAS, state departments and publicly funded health care
13 agencies could avoid duplication and share expensive resources
14 by keeping a single bulk-purchasing and inventory-management
15 system and thus realize savings; and

16 WHEREAS, many states, including New Mexico, Alaska,
17 Georgia, Delaware, Hawaii, Minnesota, Missouri, Nevada, New
18 Hampshire, Ohio, Vermont and West Virginia, have realized
19 savings by consolidating pharmaceutical purchases for employees
20 and medicaid pools; and

21 WHEREAS, cost should not be the only consideration in
22 purchasing durable medical equipment, health care supplies and
23 pharmaceuticals in bulk, and, therefore, quality should be
24 considered when making bulk purchases of these products;

25 NOW, THEREFORE, BE IT RESOLVED BY THE LEGISLATURE OF THE

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1 STATE OF NEW MEXICO that the New Mexico health policy
2 commission be requested to convene a task force to identify
3 state departments and publicly funded health care agencies that
4 could participate in bulk purchasing of durable medical
5 equipment, health care supplies and pharmaceuticals and plan a
6 management system, timetable and quality control mechanisms for
7 bulk purchasing; and

8 BE IT FURTHER RESOLVED that the task force report its
9 findings to the interim legislative health and human services
10 committee no later than August 31, 2009; and

11 BE IT FURTHER RESOLVED that a copy of this memorial be
12 transmitted to the director of the New Mexico health policy
13 commission.

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